

Fact Sheet

EBSA Restores Over \$2.5 Billion to Employee Benefit Plans, Participants and Beneficiaries

Through its enforcement of the Employee Retirement Income Security Act (ERISA), the Employee Benefits Security Administration (EBSA) is responsible for ensuring the integrity of the private employee benefit plan system in the United States. EBSA's oversight authority extends to nearly 694,000 retirement plans, approximately 2.2 million health plans, and a similar number of other welfare benefit plans, such as those providing life or disability insurance. These plans cover about 143 million workers and their dependents and include assets of over \$9.8 trillion. In FY 2019, EBSA recovered over \$2.5 billion in direct payment to plans, participants and beneficiaries.¹ (Discussed below).

Total Monetary Recoveries				
Total Recoveries	Recoveries from Enforcement Actions	Voluntary Fiduciary Correction Program	Abandoned Plan Program	Monetary Benefit Recoveries from Informal Complaint Resolution
\$2.57B	\$ 2.02B	\$ 14.6M	\$ 33.2M	\$ 510.0M

Over \$2 Billion Recovered in Investigations

In FY 2019, EBSA closed 1,146 civil investigations with 770 of those cases (67%) resulting in monetary results for plans or other corrective action. Recoveries on behalf of terminated vested participants played a large role in these results. In total, EBSA's enforcement program helped terminated vested participants in defined benefit plans collect benefits of nearly \$1.5 billion owed to them. Terminated vested results represent a combination of the present values of lifetime annuity payments made to participants and beneficiaries, or cash-out lump sum balance payments, plus interest distributions paid as either retroactive lump sums or included in actuarially adjusted future annuity amounts.

Enforcement Monetary Recoveries

Terminated Vested Participant Benefit Payments	\$1.476B
All Other Investigations	.544B
Total	\$2.020B

EBSA often pursues voluntary compliance as a means to correct violations and restore losses to employee benefit plans. However, in cases where voluntary compliance efforts have failed, or are inappropriate, EBSA forwards a recommendation to the Solicitor of Labor to initiate litigation. In FY 2019, EBSA referred 89 cases for litigation. Together, EBSA and the Solicitor of Labor determine which cases are appropriate for litigation, after considering the ability to obtain meaningful relief through litigation, the cost of litigation, viability of other enforcement options, and agency enforcement priorities. Even after referral to the Solicitor of Labor for litigation, the Department can often resolve the claims for monetary relief without filing suit.

Civil Investigations			
Civil Investigations Closed	Civil Investigations Closed with Results	Percent Civil Investigations Closed with Results	Civil Investigations Referred for Litigation
1,146	770	67%	89

¹ These results include plan assets restored, benefits paid to participants, disgorgement of profits, reversal of prohibited transactions that benefit the plan or participants and voluntary fiduciary corrections, as well as amounts recovered through the abandoned plan program and informal complaint resolution. The Agency also achieved significant protections, administrative reforms, and other corrections totaling over \$93 million. These corrections involved technical prohibited transactions and other administrative reforms with no monetary benefit to plans.

EBSA Investigations Led to the Indictment of 76 Persons for Crimes Related to Employee Benefit Plans

EBSA also has responsibility to investigate potential violations of the criminal provisions of ERISA and those provisions of Title 18 of the United States Code that relate to employee benefit plans. EBSA conducts most of its criminal investigations with other federal law enforcement agencies under the direction of the United States Attorney for that jurisdiction. Other investigations are conducted in consultation with the appropriate state or local law enforcement authority.

In FY 2019, EBSA closed 275 criminal investigations. EBSA's criminal investigations, as well as its participation in criminal investigations with other law enforcement agencies, led to the indictment of 76 individuals – including plan officials, corporate officers, and service providers – for offenses related to employee benefit plans.

Criminal Investigations		
Number of Individuals		
Criminal Investigations Closed	with Guilty Pleas or Convictions	Number of Individuals Indicted
275	80	76

Abandoned Plan Program

The Abandoned Plan Program facilitates the termination of, and distribution of benefits from individual account pension plans abandoned by their sponsoring employers. During FY 2019, EBSA received 1,199 applications from Qualified Termination Administrators and closed 741 applications with terminations approved. In total, 661 plans made distributions of \$33.2 million directly to participants pursuant to such terminations.²

Compliance Assistance Programs Yielded Tremendous Results

EBSA's Voluntary Fiduciary Correction Program (VFPC) and Delinquent Filer Voluntary Compliance Program (DFVCP) encourage the correction of violations of ERISA by providing significant incentives for fiduciaries and others to self-correct.

The VFPC allows plan officials who have identified specified violations of ERISA to take corrective action to remedy the breaches and voluntarily report the violations to EBSA, without becoming the subject of an enforcement action. In FY 2019, EBSA received 1,600 applications for the VFPC.

The DFVCP encourages plan administrators to bring their plans into compliance with ERISA's filing requirements. EBSA received 20,088 annual reports through this program in FY 2019.

Correction Programs	
VFPC Applications Received	DFVCP Filings Received
1,600	20,088

\$510.0 Million Restored to Workers through Informal Complaint Resolution

When workers experience a problem with an employee benefit plan, they can directly contact EBSA Benefit Advisors for assistance. In FY 2019, EBSA's Benefits Advisors closed more than 166,000 inquiries and recovered \$510.0 million in benefits on behalf of workers and their families through informal resolution of individual complaints. Many of the inquiries came through via EBSA's toll-free number 1-866-444-EBSA (3272) and Web site askebsa.dol.gov.

These inquiries sometimes lead to enforcement actions. When EBSA becomes aware of repeated complaints with respect to a particular plan, employer, or service provider, or when there is information indicating a

² In addition to the \$33.2 million in distributions from such voluntary applications by Qualified Termination Administrators, EBSA also obtained \$4.4 million in distributions for participants through enforcement efforts to resolve abandoned plans.

violation of ERISA, the matter will be referred for investigation. In FY 2019, EBSA opened 501 new investigations from Benefits Advisors referrals.

Inquiry Statistics		
Total Inquiries	Monetary Benefit Recoveries from Informal Complaint Resolution	Investigations Opened from Inquiry Referrals
166,627	\$510.0 M	501

Over 1,788 Education and Outreach Events held in FY 2019

EBSA also conducts education and outreach events for workers, employers, plan officials and members of Congress. These nationwide activities include assisting dislocated workers who are facing job loss, educating employers of their obligations under ERISA, using a train-the-trainer format to inform Congressional staff of EBSA programs for their use in constituent services, and providing employees with information concerning their rights under the law.

Outreach, Education and Assistance				
Dislocated Worker Rapid Response Sessions	Congressional District Office Briefings	Compliance Assistance Activities	Other Participant Assistance and Public Awareness Activities	Total Outreach Events
844	259	325	360	1,788

Extensive Publication and Web Site Usage Furthers Outreach Efforts

EBSA also reaches workers, retirees, employers, plan service providers, and the public through its printed materials and website at www.dol.gov/agencies/ebsa. English and Spanish language publications featuring participant and compliance assistance information are available through EBSA's toll-free number. Publications are also available electronically on its website. Visitors to the EBSA website can view and receive consumer information, relevant laws and regulations, technical guidance, seminar and webcast schedules, and other valuable resources.

Publications and Web Site	
Publications Distributed	Web Site Visitors
376,991	3.91M

EBSA believes these results demonstrate a strong, fair, and effective program that protects the benefits of America's workers and retirees.

This fact sheet has been developed by the U.S. Department of Labor, Employee Benefits Security Administration, Washington, DC, 20210. It is available in alternate format upon request: Voice telephone: (202) 693-8664; TTY: (202) 501-3911. In addition, the information in this fact sheet constitutes a small entity compliance guide for purposes of the Small Business Regulatory Enforcement Fairness Act of 1996.